



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH DEVELOPMENT AND ACQUISITION
103 ARMY PENTAGON
WASHINGTON DC 20310-0103

JUN 26 1998

SARD-PP

MEMORANDUM FOR COMMANDER, U.S. ARMY MEDICAL RESEARCH AND
MATERIEL COMMAND, ATTN: MCMR-AAZ-A.
504 SCOTT STREET, FORT DETRICK, MARYLAND
21702-5012

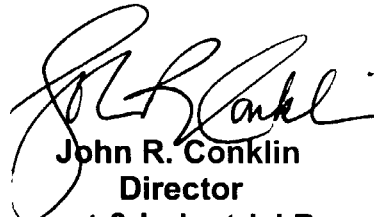
SUBJECT: Request for Class Deviation to DFARS 204.73

Reference memorandum, U.S. Army Medical Research and Materiel
Command, June 16, 1998, subject as above.

I hereby grant a class deviation to DFARS 204.73, Central Contractor
Registration (CCR), for purchase orders with students providing support to
research and development laboratories pursuant to DFARS 237.73. This
deviation exempts students conducting research for the laboratories on a full-
time or part-time basis from the requirement to register in the CCR.

This deviation authority is assigned number 98-DEV-7 and is granted
pursuant to Director of Defense Procurement memorandum, dated September 30,
1997, subject: Extension of Test - Waiver Authority, and shall remain in effect
until June 30, 2003 or until the DFARS is changed (whichever occurs first).

Point of contact for this action is Mrs. Esther Morse, DSN 761-1040.



John R. Conklin
Director

Procurement & Industrial Base Policy





DEPARTMENT OF THE ARMY
US ARMY MEDICAL RESEARCH AND MATERIEL COMMAND
504 SCOTT STREET
FORT DETRICK, MARYLAND 21702-5012

REPLY TO
ATTENTION OF:

MCMR-AAZ-A

16 Jun 98

MEMORANDUM FOR Headquarters, Department of the Army,
ATTN: SARD-PP, 103 Army Pentagon,
Washington, DC 20310-0103

SUBJECT: Request for Class Deviation to DFARS 204.73

1. In accordance with AFARS 1.402(3)(A), the U.S. Army Medical Research and Materiel Command (USAMRMC), Principle Assistant Responsible for Contracting (PARC), requests a deviation from DFARS SUBPART 204.73, Central Contractor Registration (CCR), as follows, using the format in DFARS 201.201-1:

a. PROBLEM: DFARS 204.7302 requires prospective contractors to be registered in the CCR database unless they fall into one of the exempted categories in DFARS 204.7302 (a) through (e). The U.S. Army Medical Research Acquisition Activity (USAMRAA) and the other contracting offices providing support to the USAMRMC and its subordinate activities and agencies place hundreds of purchase orders for services of students who provide short term support to many of our research and development laboratories pursuant to DFARS 237.73. The services that the students provide are critical to the completion of experiments being conducted by the R&D laboratories because of the lack of full-time equivalent laboratory personnel. The students also benefit by obtaining invaluable experience that they might not otherwise obtain until after they graduate. DFARS compliance is unrealistic for these individuals. They do not possess DUNS numbers or CAGE Codes that are required for CCR registration. Much of the application does not apply to their status. Accordingly, this registration is burdensome and adds no value to the contracting process.

b. RECOMMENDATION: Authorize a class deviation from the CCR registration requirements in DFARS 204.73 for services of students at research and development laboratories. It is also recommended that DFARS 204.7302 be amended to add purchases for services of students at research and development laboratories pursuant to DFARS 237.73 as one of the types of awards exempted from the requirement to register in CCR.

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c. DISCUSSION: The individuals that are contracted for these services are U.S. citizens with Social Security numbers. They are subject to U.S. taxation and are issued IRS Form 1099 for all contract work in excess of \$600.00. They are not normally in the business of selling the types of services that they are providing here. They are in most cases trying to earn extra money in order to further their education while at the same time gaining valuable on-the-job training that they might not otherwise obtain until after graduation. Placing burdensome requirements on these individuals could have the effect of driving them out of this workforce, leaving the Army with no student contractors to perform these services.

d. COLLATERALS:

(1) There is no need for public comment and there is no impact on any other statutes or regulations.

(2) This request for deviation best fits under FAR 1.401(b), the omission of any solicitation provision or contract clause when its prescription requires its use.

(3) This deviation should be useable by all Directorates of Contracting Offices that provide support to the U.S. Army Medical Research and Materiel Command activities and agencies. There will be a favorable impact on contractors.

(4) The deviation is required for an indefinite period.

(5) No previous deviation has been received.

(6) The proposed deviation has not been published in the Federal Register.

(7) Legal counsel concurs in this request for deviation.

2. The PARC point of contact is James Connors, DSN 343-7144; email jim_connors@ftdetrck-ccmail.army.mil



MICHAEL STITELY

Principal Assistant Responsible
for Contracting